Government of Saskatchewan

Financial Statement 2001-2002

Carlton Trail Regional College

103-00688/

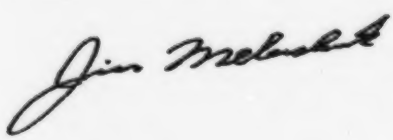
Letter of Transmittal

The Honourable Dr. Lynda M. Haverstock
Lieutenant Governor
Province of Saskatchewan

Your Honour:

I have the honour to submit for your consideration the Financial Statements of the Carlton Trail Regional College for the year ending June 30, 2002.

Respectfully submitted,



Jim Melenchuk
Minister of Learning

CARLTON TRAIL REGIONAL COLLEGE
FINANCIAL STATEMENTS
JUNE 30, 2002

AUDITORS' REPORT

To The Directors
Carlton Trail Regional College

We have audited the statement of financial position of Carlton Trail Regional College as at June 30, 2002 and the statements of operations, changes in fund balances and cash flows for the year then ended. The College is responsible for preparing these financial statements for Treasury Board's approval. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. These standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the College as at June 30, 2002 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Wynyard, Saskatchewan
September 13, 2002

E J C Dudley + Co
Chartered Accountants

CARLTON TRAIL REGIONAL COLLEGE
Statement of Management Responsibility

The College is responsible for the preparation of the financial statements and has prepared them in accordance with Canadian generally accepted accounting principles and in accordance with the guidelines developed by Saskatchewan Learning. The College believes the financial statements present fairly the College's financial position as at June 30, 2002 and the results of its operations for the year then ended.

In fulfilling its responsibilities and recognizing the limits inherent in all systems, the college has developed and maintains a system of internal control designed to provide reasonable assurance that College assets are safeguarded from loss and that the accounting records are a reliable basis for the preparation of financial statements.

The Board of Directors is responsible for the review of the financial statements. The Board meets with management and, as required, with the external auditors to discuss the results of audit examinations and financial reporting matters. The external auditors have full access to the Board with and without the presence of management.

The financial statements for the year ended June 30, 2002 have been reported on by E. J. C. Dudley & Co. The Auditor's Report outlines the scope of his examination and provides his opinion on the fairness of presentation of the information in the financial statements.

CEO

Director of Finance

Carlton Trail Regional College
Statement of Financial Position
as at June 30, 2002

	2002 Operating	2002 Capital	2002 Total	2001
Assets				
Current Assets				
Cash	$ 157,541	0	157,541	192,410
Temporary Investments	465,000	0	465,000	240,000
Accounts Receivable (Note 3)	107,715	0	107,715	140,425
Inventories	10,941	0	10,941	14,042
Prepaid Expense	35,128	0	35,128	17,177
	776,325	0	776,325	604,054
Capital Assets (Note 4)	0	1,099,837	1,099,837	1,171,962
	$ 776,325	**1,099,837**	**1,876,162**	**1,776,016**
Liabilities				
Current Liabilities				
Accounts Payable (Note 6)	$ 213,194	0	213,194	240,275
Unearned Revenue (Note 7)	336,668	0	336,668	154,733
	549,862	0	549,862	395,008
Net Assets				
Invested in Capital Assets	0	1,099,837	1,099,837	1,171,962
Internally restricted as reserves (Note 8)	95,955	0	95,955	95,955
Unrestricted	130,508	0	130,508	113,091
	226,463	1,099,837	1,326,300	1,381,008
	$ 776,325	**1,099,837**	**1,876,162**	**1,776,016**

The accompanying notes form an integral part of these financial statements.

APPROVED BY THE BOARD

Carlton Trail Regional College
Statement of Operations
for the year ended June 30, 2002

	Operating			Capital		Total	
	Budget (note 10)	2002	2001	2002	2001	2002	2001
Revenues (Schedule 1)							
Saskatchewan Learning	$ 2,820,837	2,572,974	2,628,426	52,894	24,340	2,625,868	2,652,766
Federal Government	79,698	243,965	278,649	0	0	243,965	278,649
Other Revenue	726,293	836,413	881,204	0	0	836,413	881,204
Total revenues	**$ 3,626,828**	**3,653,352**	**3,788,279**	**52,894**	**24,340**	**3,706,246**	**3,812,619**
Expenses (Schedule 2)							
Contractual and Professional Services	$ 895,710	786,857	1,122,306	0	0	786,857	1,122,306
Rentals	233,350	240,949	216,699	0	0	240,949	216,699
Repairs and Maintenance	16,201	33,560	21,499	0	0	33,560	21,499
Amortization	0	0	0	142,289	155,992	142,289	155,992
Operating Expenses (Schedule 3)	514,872	425,300	444,471	0	71	425,300	444,542
Personal Services	1,942,087	2,131,999	1,957,218	0	0	2,131,999	1,957,218
Total expenses	**$ 3,602,220**	**3,618,665**	**3,762,193**	**142,289**	**156,063**	**3,760,954**	**3,918,256**
Excess/(deficiency) of revenue over expenses	**$ 24,608**	**34,687**	**26,086**	**(89,395)**	**(131,723)**	**(54,708)**	**(105,637)**

The accompanying notes form an integral part of these financial statements.

Carlton Trail Regional College
Statement of Changes in Net Assets
for the year ended June 30, 2002

	Capital			Operating			
	Invested in capital assets	Externally restricted assets	Internally restricted assets	Internally restricted assets (Note 8)	Unrestricted	2002	2001
Net assets, beginning of year	$ 1,171,962	0	0	95,955	113,091	1,381,008	1,486,645
Excess(deficiency) of revenue over expenses	(89,395)				34,687	(54,708)	(105,637)
Interfund transfers (Note 8)	17,270	0	0	0	(17,270)	0	0
	$ 1,099,837	**0**	**0**	**95,955**	**130,508**	**1,326,300**	**1,381,008**
Net assets, end of year		$ 1,099,837			226,463		

The accompanying notes form an integral part of these financial statements.

Carlton Trail Regional College
Statement of Cash Flows
for the year ended June 30, 2002

	2002	2001
Cash flows from operating activities		
Excess(deficiency) of revenue over expenses	$ (54,708)	(105,637)
Amortization of capital assets	142,289	155,992
(Increase) decrease in accounts receivable	32,710	126,443
(Increase) decrease in inventory	3,101	(3,081)
(Increase) decrease in prepaid expenses	(17,951)	(40)
Increase (decrease) in Unearned Revenue	181,935	(108,961)
Increase (decrease) in Accounts Payable	(27,081)	57,483
	260,295	122,199
Cash flows from investing activities		
Purchase of capital assets	(70,164)	(49,928)
	(70,164)	(49,928)
Cash flows from financing activities		
Repayment of long-term debt	0	(3,484)
	0	(3,484)
Increase(decrease) in cash during year	190,131	68,787
Cash and temporary investments, beginning of year (Note 2)	432,410	363,623
Cash and temporary investments, end of year	$ 622,541	432,410

The accompanying notes form an integral part of these financial statements.

CARLTON TRAIL REGIONAL COLLEGE
Notes to the Financial Statements
for the year ended June 30, 2002

1. PURPOSE AND AUTHORITY

The Carlton Trail Regional College offers educational services and programs under the authority of Section 14 of The Regional Colleges Act.

The Board of the Carlton Trail Regional College is responsible for administering and managing the educational affairs of the College in accordance with the intent of The Regional Colleges Act and its regulations.

2. SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared in accordance with Canadian generally accepted accounting principles and include the following significant policies:

(a) **Fund Accounting**

The accounts of the College are maintained in accordance with the principles of fund accounting. For financial reporting purposes, accounts with similar characteristics have been combined into the following major funds:

(i) Operating Fund

The operating fund consists of those revenues and expenses relating to the general operations of the College.

(ii) Capital Fund

The capital fund reflects the unamortized capital assets of the college and the equity of the College in capital assets, after taking into consideration any associated long term debt. The capital fund consists of transfers and donations designated for capital purposes by the contributor, net of the annual amortization expense. Also included in the capital fund are the appropriations for future capital expenditures.

(b) **Revenue Recognition**

The College follows the restricted fund method of accounting for grants. Restricted transfers related to general operations are recognized as revenue of the operating fund in the year in which the related expenses are incurred. Transfers restricted for capital assets are recognized as revenue of the capital fund when received or receivable.

Unrestricted operating transfers are recognized as revenue of the operating fund when received or receivable. Tuition and fee revenue is recognized as the course instruction is delivered. Revenue from contractual services is recognized as the service is delivered.

(c) **Capital Assets**
Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution. Amortization is charged on a straight-line basis over the estimated useful lives of the assets at the following terms, and is reported as an expense in the capital fund:

Buildings	20 years
Furniture and Equipment	3 to 5 years
Leasehold Improvements	Term of Lease or estimated useful life

(d) **Inventories**
Inventories are recorded at the lower of cost and net realizable value.

(e) **Investments**
Investments are recorded at the lower of cost and market value.

(f) **Cash and Temporary Investments** are represented by cash on hand and balances with banks.

3. **ACCOUNTS RECEIVABLE**
Accounts receivable are composed of the following:

	2002	2001
Saskatchewan Learning	$ 13,859	$ 29,356
Federal Government	5,400	12,088
Other	88,456	98,981
	$107,715	$140,425

4. **CAPITAL ASSETS**

	Cost	Accumulated Amortization	2002 Net Book Value	2001 Net Book Value
Land	$ 600	0	600	600
Buildings	198,975	96,478	102,497	112,446
Furnishings/Equipment	919,491	803,753	115,738	99,813
Leasehold Improvements	1,170,549	289,547	881,002	959,103
	2,289,615	1,189,778	1,099,837	1,171,962

CARLTON TRAIL REGIONAL COLLEGE
Notes to the Financial Statements
for the year ended June 30, 2002

5. COMMITMENTS

The College is obligated under the following lease agreements:

(a) Administration Building: A five year lease, expiring June 30, 2006, calls for monthly rental payments of $5,000 plus GST.

(b) Humboldt Education Centre: The joint-use Operating Agreement (three years) requires an annual maintenance fee of $2,400 per month.

(c) Watrous facility: An open-ended lease (99 years) with Long Lake School Division specifying payment of operating costs only.

(d) Equipment: The College is committed to an annual lease payment of $9,285 plus sales taxes in respect of photocopier equipment. The lease expires February, 2003.

(e) Wynyard Facility: A 10 year lease expiring December 31, 2009 specifying payment of operating costs only.

(f) Lestock Facility: Originally signed as a five year lease expiring June 30, 2005. By mutual agreement, the lease will end effective June 30, 2003. Original lease specifies an annual rate of $8,000 with a 5% increase per year built into the contract effective the first day of July each year.

6. ACCOUNTS PAYABLE

Accounts payable are composed of the following:

	2002	2001
Accrued Vacation Pay	$ 96,928	$ 69,231
Payroll and Employee Benefits	62,852	57,436
Trade Payables	53,414	113,608
	$213,194	$240,275

7. UNEARNED REVENUE

Unearned revenue consists of transfers received to carry out specific activities in excess of the expenses incurred on those activities at the end of the fiscal year as follows:

	2002	2001
Saskatchewan Learning	$311,600	$154,733
Other	25,068	0
	$336,668	$154,733

8. RESTRICTIONS ON NET ASSETS

The Board of Directors of Carlton Trail Regional College have placed internal restrictions on $95,955 (2001 - $95,955) of unrestricted net assets to be used for future expenditures. These internally restricted amounts are not available for other purposes without approval of the Board of Directors.

$17,270 (2001 - $29,143) was transferred from unrestricted operating funds to capital assets for the purchase of information technology equipment, computers and office equipment.

9. BUDGET AMOUNTS

The budget submitted with the Business Plan was prepared by Regional College management with Board approval given on June 25, 2001. Ministerial approval was received February 12, 2002.

10. RELATED PARTY TRANSACTIONS

These financial statements include transactions with related parties. The College is related to all Saskatchewan Crown Agencies such as departments, corporations, boards and commissions under the common control of the Government of Saskatchewan. Also, the College is related to non-Crown enterprises that the Government jointly controls or significantly influences.

Routine operating transactions with related parties are recorded at the rates charged by those organizations and are settled on normal trade terms.

	2002	2001
SaskTel and SaskMobility	$ 53,768	$66,831
SaskPower &Energy	24,020	22,802
SIAST	314,893	353,434
Sask. Property Management	45,095	46,759

During the year the College continued a contract with Saskatchewan Communications Network (SCN) to deliver various training and educational programs. The College received $96,750 during the year from SCN for these programs (2001 - $99,000).

Other transactions with related parties and amounts due to/from them are described separately in the financial statements and the notes thereto.

11. FINANCIAL INSTRUMENTS

(a) The carrying amount of cash and temporary investments, accounts receivable, accounts payable and accrued salaries, and vacation payable approximates fair value due to the short term maturity of these instruments. There are no significant terms or conditions related to these financial instruments that may affect the amount, timing, or certainty of future cash flows.

(b) The College is exposed to credit risk from the potential non-payment of accounts receivable. The majority of the college's receivables are from the provincial and federal government, therefore, credit risk is minimal.

12. PENSIONS

Employees of the College participate in one of two pension plans. Teachers and other employees holding a teaching certificate participate in a defined benefit plan, the Teachers' Superannuation Plan (TSP) which is administered by the Teachers' Superannuation Commission. The Board has no financial obligation to TSP. Eligible employees contribute to TSP for their current service. No matching contribution is made by the College. The General Revenue Fund is responsible for the financial obligations of the TSP. All other employees participate through Municipal Employees' Pension Plan (MEPP) which is a multi-employer defined benefit plan. The last actuarial valuation of the MEPP indicated there was a surplus in the plan. The College's financial obligation to the MEPP is limited to making required payments to match amounts contributed by employees for current services. Pension expense for the year 2002 amounted to $57,918 (2001 - $54,943).

13. SASKATCHEWAN CAP YOUTH PROJECT

During the year the College entered into an agreement with Industry Canada to pay wages to employees of Canada Community Access Program Youth Employment project for the Province of Saskatchewan. The project employs youth in rural communities to ensure that Canadians in remote and rural areas have affordable access to the information highway.

An administration margin of approximately $15,000 (2001 - $7,200) was anticipated from the agreement.

During the year, Youth Internships salaries & benefits totaling $198,174 (2001 - $177,399) were paid out to 40 Community Access Project Sites.

14. COMPARATIVE FIGURES

Certain prior year's comparative figures have been reclassified or adjusted to conform to the current year's basis of presentation.

Carlton Trail Regional College
Schedule of Operating Fund Revenues by Function
for the year ended June 30, 2002

	Administration	Programming				Support Services				
	General Revenue	Community & Individual Development	Adult Basic Education	Vocational Technical	University Credit	Career Services	Student Services	2002 TOTAL	2002 Budget (Note 9)	2001 Total
Saskatchewan Learning										
Admin Recovery	$ 94,000	0	0	0	0	0	7,620	101,620	137,750	114,614
Base Grant	1,294,889	0	0	0	0	0	0	1,294,889	1,258,517	1,193,938
Program Payments	20,000	0	286,219	582,722	0	0	17,500	906,441	1,026,570	1,044,301
Other	33,634	5,000	0	208,265	0	0	23,125	270,024	398,000	275,573
	1,442,523	5,000	286,219	790,987	0	0	48,245	2,572,974	2,820,837	2,628,426
Federal Government										
Admin Recovery	14,019	0	0	0	0	0	0	14,019	15,000	0
Projects	0	229,946	0	0	0	0	0	229,946	64,698	278,649
	14,019	229,946	0	0	0	0	0	243,965	79,698	278,649
Other										
Admin Recovery	8,258	1,231	393	10,800	0	0	0	20,682	0	11,285
Contracts	0	114,609	13,124	52,663	53,213	53,476	0	287,085	282,747	330,172
Interest	20,042	0	0	0	0	0	0	20,042	24,000	27,654
Rents	26,334	0	0	0	0	0	0	26,334	20,000	25,837
Resale Items	0	27,212	1,143	55,349	0	0	0	83,704	35,268	72,279
Tuitions	0	174,591	2,556	212,194	0	179	2,579	392,099	348,778	393,102
Other	1,517	2,937	0	0	2,013	0	0	6,467	15,500	20,875
	56,151	320,580	17,216	331,006	55,226	53,655	2,579	836,413	726,293	881,204
Total Revenue	1,512,693	555,526	303,435	1,121,993	55,226	53,655	50,824	3,653,352	3,626,828	3,788,279
Total Expense (Schedule 2)	1,651,034	482,568	284,675	907,839	68,284	161,223	63,042	3,618,665	3,602,220	3,762,193
Excess(deficiency) of revenue over expenses	$ (138,341)	72,958	18,760	214,154	(13,058)	(107,568)	(12,218)	34,687	24,608	26,086

Schedule 2

Carlton Trail Regional College
Schedule of Operating Fund Expenses by Function
for the year ended June 30, 2002

	General Administration			Programming				Support Services				
	Board	Administrative	Organizational	Non-credit	Adult Basic Education	Vocational Technical	University Credit	Career Services	Student Services	2002 total	2002 Budget (Note 9)	2001 Total
Contractual and Professional Services	$ -	38,945	15,648	179,603	6,486	484,838	40,017	1,879	19,441	786,857	895,710	1,122,306
Rentals	0	100,680	48,189	15,860	28,699	36,185	45	11,291	0	240,949	233,350	216,699
Repairs and Maintenance	0	10,167	22,572	150	73	402	196	0	0	33,560	16,201	21,499
Operating (Schedule 3)	24,250	151,618	69,462	64,624	17,234	86,634	3,382	3,180	4,916	425,300	514,872	444,471
Personal Services	17,328	527,466	624,709	222,331	232,183	299,780	24,644	144,873	38,685	2,131,999	1,942,087	1,957,218
	$ 41,578	**828,876**	**780,580**	**482,568**	**284,675**	**907,839**	**68,284**	**161,223**	**63,042**	**3,618,665**	**3,602,220**	**3,762,193**

Carlton Trail Regional College
Schedule of Operating Expenses
for the year ended June 30, 2002

		2002	2001
Operating Expenses			
Advertising	$	26,514	30,738
Association Fees and Dues		10,208	9,721
Bad Debts		3,380	3,600
Bank Charges and Interest		474	366
Computer Software		10,904	7,040
Conference and Training Fees		12,953	16,669
Insurance		16,814	15,312
Materials and Supplies		70,226	61,236
Postal, Freight and Courier		17,608	19,362
Printing and Duplicating		613	632
Resale Items		76,239	70,332
Subscriptions		1,651	1,478
Telephone and Fax		53,512	62,080
Travel		68,300	82,940
Utilities		24,978	34,838
Other		15,199	12,950
Equipment under capitalization amount		15,727	15,177
Total	$	425,300	444,471

Carlton Trail Regional College
Schedule of Reserve Transactions
for the year ended June 30, 2002

	Balance, Beginning of Year	Add: Appropriations from unrestricted net assets	Add: Interest allocated from unrestricted net assets	Less: Transfers to unrestricted net assets	Balance, end of the year
Information Technology Equipment	$ 95,955	0	0	0	95,955
Total	**$ 95,955**	**0**	**0**	**0**	**95,955**

CARLTON TRAIL REGIONAL COLLEGE
Personal Services, Honaria, etc
For the Year Ended June 30, 2002
"Unaudited"

Listed are non-unionized employees who received payments for salaries and wages, which total $2,500 or more:

Barber, Rob	$ 84,396	
Burgess, Andy	64,326	
Gebauer, Daryl	9,377	
Ulrich, Sheri	8,914	
Varga, Pat	43,776	
Warner, Cindy	26,182	
		236,972
Unionized Employees	1,435,830	
Summer Students	17,692	
Community Access Project Students	188,479	
		1,642,001
Total		$ 1,878,973

CARLTON TRAIL REGIONAL COLLEGE
Supplier Payment Listing
for the year ended June 30, 2002
"unaudited"

Listed are payees who received $20,000 or more for the provision of goods and services, including office supplies, communications, contracts and equipment.

Assoc of Sask Regional Colleges	$	26,000.00
Blue Cross	$	47,490.50
Heartland Pork Management	$	25,000.00
CIT	$	23,793.27
Froehlich, Don	$	34,520.05
Hrycan, Larry	$	28,620.81
Humboldt Holdings	$	79,312.80
Humboldt Collegiate Institute	$	33,806.79
Insurance Associates	$	23,598.00
Michel's Industries Ltd.	$	25,000.00
Receiver General for Canada RP0001	$	530,925.86
Receiver General for Canada RP0002	$	28,734.41
Sask Property Management	$	45,095.43
Sask Power/Energy	$	24,020.42
Sask Tel	$	53,768.31
SGEU - Chief Executive Office	$	20,789.04
SK Mun Employees Super Comm	$	120,785.24
SK Teachers' Superannuation Fund	$	31,535.37
SIAST Kelsey Institute	$	41,110.29
SIAST Palliser Institute	$	108,187.53
SIAST Wascana Institute	$	115,452.24
SIAST Woodland Institute	$	50,142.55
St. Peter's College	$	40,000.00
This Is Your Computer	$	51,177.70
Total	**$**	**1,608,866.61**